

**GENERAL  
FACT SHEET**

13-39

**BILL NUMBER**

<b>BRIEF TITLE</b>	<b>APPROVAL DEADLINE</b>	<b>REASON</b>
Lease agreement for 1100 N Street		Approve Lease on City-owned property

**DETAILS**

**Reason for Legislation**

Article VII, Section 3 of the City Charter provides that contracts in connection with properties of the City's proprietary functions and leases in which the City is to be either the lessee or lessor, may be consummated for such periods and on such terms as the Council may by ordinance authorize.

**Discussion (Including Relationship to other Council Actions)**

The City of Lincoln has received an offer to lease the space more commonly known as 1100 N Street located at the southwest corner of the ground level of the Centrum Parking Garage from Tanya and Damian Porter for a daycare facility. The lease will generate approximately \$38,115 per year which equates to \$9.90 per square foot for an area which is approximately 3,850 square feet. The lease also includes an annual 3% escalation clause. The tenants will pay an additional \$100 a month to cover utilities which also includes a 3% escalation clause. The tenant will pay real estate taxes, if in fact, the City is assessed. The tenant will take possession of the property in its current condition and will clean up the space and make all improvements to the premises necessary to run a daycare facility. The tenant will be given credit for those improvements via rent reduction. The lease term is for five years with an option to renew for an additional five years. The property has been vacant for a number of years and no suitable tenant has been found for the property until now.

**POSITIONS/RECOMMENDATIONS**

<b>Sponsor</b>	Urban Development Department
<b>Programs, Departments, or Groups Affected</b>	City Urban Development Department
<b>Applicants/Proponents</b>	<b>Applicant</b> City of Lincoln <b>City Department</b> Urban Development <b>Other</b>
<b>Opponents</b>	<b>Groups or Individuals</b> None Known <b>Basis of Opposition</b>
<b>Staff Recommendation</b>	<input checked="" type="checkbox"/> For <input type="checkbox"/> Against Reason Against
<b>Board or Commission Recommendation</b>	<input type="checkbox"/> For <input type="checkbox"/> Against <input checked="" type="checkbox"/> No Action Taken <input type="checkbox"/> For with revisions or conditions (See Details column for conditions)
<b>CITY COUNCIL ACTIONS (FOR COUNCIL USE ONLY)</b>	<input type="checkbox"/> PASS
	<input type="checkbox"/> PASS ( AS AMENDED)
	<input type="checkbox"/> COUNCIL SUB.
	<input type="checkbox"/> WITHOUT RECOMMENDATION
	<input type="checkbox"/> HOLD
	<input type="checkbox"/> DO NOT PASS

## DETAILS

## XX POLICY / PROGRAM IMPACT

POLICY OR PROGRAM CHANGE	X	NO	YES

## FINANCES

COST AND REVENUE PROJECTIONS	COST of total project	
	COST of this ordinance/resolution	
	RELATED annual operating cost \$ <u>N/A</u>	
	INCREASED REVENUE EXPECTED / YEAR <u>N/A</u>	

SOURCE OF FUNDS	CITY			
		\$	%	
		\$	%	
		\$	%	
		\$	%	
	NON CITY			
		\$	%	
		\$	%	
		\$	%	
		\$	%	

## BENEFIT COST /

<input type="checkbox"/> Front Foot	Average Assessment
<input type="checkbox"/> Square Foot	
<input type="checkbox"/> Per \$100 valuation	

(Use This Space For Further Discussion, If Necessary)

APPLICABLE DATES: 1<sup>st</sup> reading, 3/11/13; 2<sup>nd</sup> reading, 3/18/13; 3<sup>rd</sup> reading, 3/25/13

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REVIEWED BY: Steve Werthmann and David Landis, Urban Development

REFERENCE NUMBERS: